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1956

STATE LEGISLATION

AFFECTING

THE REA PROGRAM



#### UNITED STATES DEPARTMENT OF AGRICULTURE Rural Electrification Administration

# 1956 STATE LEGISLATION AFFECTING THE REA PROGRAMS

1956 Legislative Sessions. 25 State legislatures were in session during 1956. 17 met in regular session. In 5 of these States - California, Colorado, Kansas, Maryland and West Virginia - the sessions were restricted to consideration of budget matters. Seven of the States which met in regular session also held special sessions and an eighth, Virginia, is scheduled to convene a special session on August 27. In addition 6 States - Alabama, Florida, Missouri, Nevada, North Carolina - which normally meet in the odd-numbered years, held special sessions in 1956. The Pennsylvania legislature which convened January 4, 1955 adjourned May 22, 1956 and the 1955 session of the Delaware legislature continued its session and is presently in recess until Movember 5, 1956.

As of the date of preparation of this report the legislatures of three States - Delaware, Massachusetts and New Jersey - had not adjourned. There is, of course, a possibility that additional special sessions may be convened before the close of the year.

Scope of State Reports. The State reports summarize the legislative programs of borrowers insofar as they were made known to REA in response to inquiries made of their State organizations just prior to the convening of the 1956 sessions. During the sessions, all available sources were utilized to identify, out of more than 28,000 bills which were introduced, those dealing directly or indirectly with the REA programs. Copies of practically all bills so identified were obtained and analyzed, and their final disposition determined and recorded. The reports include all such bills classified according to whether they dealt with electrification or telephone or both, describe them briefly and indicate their disposition.

The reports are not intended as a definitive presentation of all relevant State legislation which was considered in 1956. They serve rather as notice of legislative developments in the fields covered. The bills themselves, particularly those which were enacted, should be examined to determine their effect upon borrowers programs and activities.

Highlights. The following are the highlights of the 1956 legislative developments which concern the REA programs and borrowers.

# (A) Electrification

Amendments of Electrification Borrowers' Enabling Acts. In three States, amendments were proposed to laws governing the organization and operation of electrification borrowers. In Virginia a bill to increase the per diem fees for directors failed. In Pennsylvania, a bill to repeal the exemption of electric cooperatives from all State taxes upon the payment of a fee of \$10 per 100 members failed. Bills carried over from the 1955 session of the South Carolina legislature to permit continuation of cooperative service in areas which lose their rural status died. Virginia reenacted its "Electric Cooperatives Act" to note changes of cross reference in the act to a new

general corporation law. No substantive changes were made.

Electrical Licensing and Inspection. Michigan enacted legislation dealing with licensing of electricians and electrical contractors, prescribing installation standards, requiring permits for electrical installations and providing for their inspection. A bill in New Jersey to establish a state electrical contractors licensing board was defeated. Legislation in Pennsylvania authorizing counties to establish electrical administrative boards failed. Mississippi legislation providing for meter inspection also failed.

Power Lines. Bills making it a crime to tamper with electric power lines and providing for precautions to be taken near high voltage overhead lines in order to guard against injury failed to pass in Mississippi. Legislation in Kentucky which would have required that licenses be obtained before spraying power line rights of way died.

Atomic Energy. Eight States considered legislation relating to atomic energy development. Three States - New York, Rhode Island, and South Carolina - enacted laws directing the undertaking of various studies and regulatory activities. Similar legislation is pending in Massachusetts and New Jersey but failed to pass in Michigan, Pennsylvania and Virginia.

Power Authorities. Arizona amended its Power Authority Act with regard to the development of projects by the Authority and the disposition of power therefrom. Bills to create a Massachusetts Power Authority and to permit the New York State Power Authority to build transmission lines and give preference in sale of power to political subdivisions and rural electric cooperatives failed.

Miscellaneous. The Georgia legislature adopted a resolution creating a committee to investigate rates charged by rural electric cooperatives.

# (B) Electrification and Telephone

Commission Regulation. Mississippi passed a law extending and enlarging the jurisdiction and powers of its Public Service Commission which directly affects REA borrowers.

Taxation. A Louisiana bill authorizing municipalities and parishes to levy a 2% utility tax and a Mississippi bill removing the 2% franchise tax on public utilities and allowing municipalities to levy a 2% sales tax failed. Legislation in Arizona to provide for taxation of utility poles and rights of way died.

Miscellaneous. Mississippi considered but failed to enact legislation eliminating in certain cases the need for member-owned utilities to obtain municipal franchises. Kentucky and Louisiana enacted bills to control the sale of scrap copper wire or cable. Arizona and New York passed escheat legislation relating to disposition of unclaimed property and funds.

## (C) Telephone

Telephone Cooperative Enabling Act. A bill providing for the organization and operation of rural telephone cooperative corporations in Mississippi died in committee. Virginia reenacted the "Telephone Cooperative Act" to note changes of cross references in the act to a new general corporation law. No substantive changes were made.

Telephone Service. Arizona enacted a law amending its Electric Cooperative Act authorizing electric cooperatives to contract for telephone service in their service areas. A resolution directing the Kentucky Public Service Commission to require telephone cooperative to furnish 2h hour operator service failed to be adopted.

Telephone Rates. The Virginia General Assembly adopted a resolution declaring the public policy of the State to be against rural zone mileage charges and construction charges in certain cases by telephone companies. Legislation in kentucky, Massachusetts, New York and South Carolina relating to investigations of and establishment of telephone rates failed to pass.

Taxation. A bill to provide for the payment of an annual fee by telephone cooperatives in lieu of certain taxes failed in South Carolina, Michigan amended its law relating to taxation of telephone companies.

Party Lines - Emergency Calls. Legislation making it a misdemeanor to refuse to yield a party line for an emergency call was enacted in Virginia but failed in Rhode Island.

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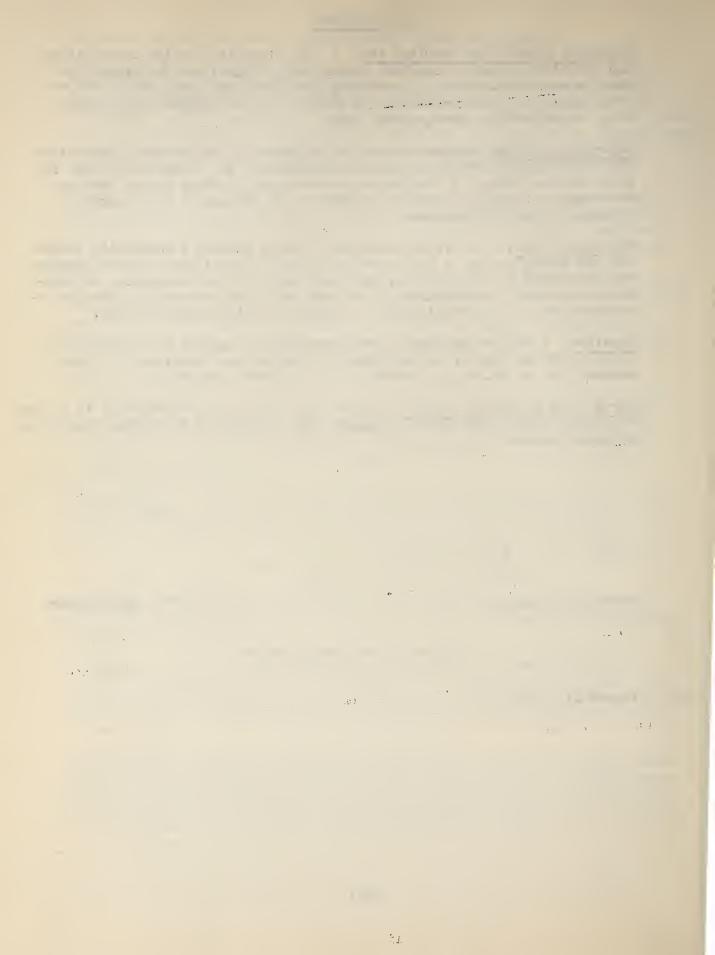
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Office of the Administrator

August 17, 1956



1956 Alabama Legislation - Final Report
Fourth Special Session: January 3 to February 14, 1956
Fifth " " : March 1 to April 5, 1956

(Governor James M. Folson called the Alabama legislature into special session to consider legislation relating to schools and other subjects. The legislature is limited to consideration of subjects listed in the Governor's call plus any others submitted by two-thirds vote of the members.)

No legislation of interest to REA borrowers was noted.



1956 Arizona Legislation - Final Report Session: January 9 to April 14, 1956

#### Legislative Program

#### Electrification

REA borrowers considered but did not sponsor legislation prescribing precautions to be taken in the proximity of high-voltage lines for the prevention of accidents.

#### Telephone

No legislative program was undertaken by REA borrowers.

#### Legislation Considered

# Electrification

#### Enacted

Arizona Power Authority - H. B. 356, approved April 19, 1956, Chap. 151, amends the Power Authority Act. Section 30-123, Arizona Revised Statutes relating to development programs for the utilization of power is amended by providing that no project shall be constructed or acquired until the Authority determines it to be feasible and economically sound and that it will be self-financing and will be liquidated within a reasonable period of useful life as determined by the Authority (previous limitation 40 years). Sec. 30-123.01 is added to direct the Authority to take necessary steps to construct, operate and maintain dams for the generation of electrical energy at the Bridge Canyon site. Section 30-124 relating to the disposition of electric: power and the establishment of power rates is amended to remove the 40 year limitation period within which projects shall be liquidated and providing that the rates established for the Bridge Canyon project shall include such additional price components deemed necessary to defray cost of storing, diverting or delivering waters of the main stream of the Colorado. Subsection F of Sec. 30-124 is amended to strike out the requirement that agreements for electric service shall not extend for a period of more than twenty years. Section 30-127, Subsection E relating to contracts for wholesale power rates is amended to remove the twenty years limitation and to provide that contracts for periods exceeding 20 years shall be subject to termination upon reasonable notice at any time after the initial 20 years. S. B. 180, same as H. B. 356, died in Senate.

#### Failed

Electrical Districts - S. B. 59, died in House, would have added Sec. 30-522, Arizona Revised Statutes, to provide for dissolution of electrical districts.

-H.C.R. 16, died in House, would have amended Section 7, Article 13, Constitution of Arizona, by removing power and electrical districts from the status of political subdivisions.

State Vater Project Authority - H. B. 150, died in House, provided for the creation, organization and operation of the State Vater Project, Authority to construct the Glen-Bridge-Verde-Highline project for irrigation, generation of power and other beneficial uses of the vaters of the Colorado River in central Arizona.

- H. B. 168, died in House, would have created a State Water Project Authority which would have been authorized to construct projects approved for development by the legislature.

Colorado River Contract - H. B. 64, died in House, would have repealed the ratification of the Colorado River contract with the Secretary of the Interior relating to the storage and delivery of water from Lake Mead (Chapter 4, Laws 1944).

Colorado River Compact - H. B. 63, died in House, would have repealed the ratification of the Colorado River Compact by the State of Arizona (Chapter 5, Laws 1944).

Upper Colorado River Basin Compact - H. B. 62, died in House, would have repealed the ratification of the Upper Colorado River Basin Compact (Chapter 4, Laws 1949).

- H. Men. 3, died in House, would have requested Congress to restore equity in the Colorado River Basin by revising the Upper Colorado River storage project bill.

# Electrification and Telephone Enacted

Uniform Disposition of Unclaimed Property Act - S. B. 146, approved April 13, 1956, Chap. 126, enacts the uniform disposition of unclaimed property act and provides for its administration by the real estate commissioner. Section 5 of the act relates to deposits and refunds held by utilities. Section 6 covers undistributed dividends and distributions of business associations which is defined broadly enough to include cooperatives. The act provides generally for escheat to the State of unclaimed property. H. B. 224, same as S. B. 146, died in House.

## Failed

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Rate and Tariff Advisory Board - S.B. 144, died in Senate, would have provided for the creation of a 3 member rate and advisory board with authority to investigate proposed changes in rates and tariffs of public service corporations and to report to the Corporation Cormission. H.B. 335, same as S.B.144, died in House.

Public Service Corporations - Joint Schedules and Tariffs - H. B. 118, died in House, would have amended Sec. 40-366, Arizona Revised Statutes, relating to the filing of joint schedules and tariffs by public service corporations.

Taxation - Utilities Right of Ways - H. B. 3, died in House, would have provided that utilities obtaining the use of right of ways shall equitably reinburse state, counties and municipalities on an annual basis. The bill would have provided that a utility be required to pay a reasonable purchase price for property deeded for easement purposes.

Pole Taxation - H. B. 4, died in House, would have imposed a pole tax on all public utility companies and permitted counties to impose license fees for pole inspection.

Corporation Cormission - H. B. 16, died in House, would have provided for the creation of a three member corporation cormission to be appointed by the Governor.

- H. C. R. 4, died in House, would have proposed an amendment to Section 1, Article 15 of the Arizona Constitution to provide for the creation of a three number corporation commission to be appointed by the Governor.

### Telephone Enacted

Electric Cooperative Act - Telephone Service - H. B. 231, approved April 9, 1956, Chap. 97, amends Section 10-752 Arizona Revised Statutes, relating to the purpose for which electric cooperatives may be organized by adding a new paragraph B as follows:

"B. In a rural area where there is no telephone service, a cooperative which is supplying electric energy in the area may enter into a cooperative agreement with the existing holder of certificate of convenience and necessity for telephone service in the general area to supply telephone service in the same area."

When introduced, H. B. 231 proposed to define "electric energy" to include telephone service, thereby making the Electric Cooperative Act available for the incorporation and operation of telephone cooperatives. The Senate amended the bill to its enacted form authorizing electric cooperatives to contract for telephone service in their service areas.

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1956 California Legislation - Final Report Session: (Budget) March 5 to April 3, 1956 First Special Session: March 5 to April 5, 1956

(The regular session of the California legislature convening in even numbered years is limited to consideration of budget and revenue acts, urgent measures, acts calling elections, constitutional amendments, and city and county charters. Special sessions are limited to consideration of subjects listed in the Governor's call. The first special session was requested to consider matters relating to flood control and related subjects.)

## Legislative Program

#### Electrification and Telephone

REA borrowers did not undertake a legislative program.

### Legislation Considered

No legislation of interest to the REA electrification or telephone programs was noted.



1956 Colorado Legislation - Final Report Session: (Budget) January 4 to February 10, 1956 First Special Session: May 7 to 13, 1956

(The regular session of the Colorado legislature convening in even numbered years is limited to consideration of appropriation and revenue raising measures and subjects designated in writing by the Governor during the first ten days of the session.)

#### Legislative Program

#### Electrification and Telephone

REA borrowers did not undertake a legislative program.

#### Legislation Considered

# Electrification Enacted

Colorado River Project - S. J. Men. 1 memorializes the Congress to enact legislation approving the apportionment of power credits made by the Upper Colorado River Commission.

# Electrification and Telephone Enacted

Public Utilities Cormission - Cormissioners Salaries - H. B. 66 approved February 9, 1956 raises the salaries of the members of the Public Utilities Cormission from \$7,500 to \$10,000 per annum. The change in salary is effective July 1, 1956.

The first special session of the Colorado legislature was called to consider legislation relating to pay raises for state employees, legislative reapportionment and the Continental Divide toll tunnel. The legislature is limited to consideration of subjects in the Governor's call.

No legislation of interest to the REA electrification or telephone programs was noted.

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1955 Delaware Legislation - Interin Report Session: January 4, 1955 -

(The 1955 session of the Delaware legislature was in recess from July 16, 1956 to November 5, 1956. Status of bills is reported as of July 16, 1956. Upon adjournment, a final report will be distributed.)

#### Legislative Program

#### Electrification and Telephone

No legislative program was undertaken by REA borrowers in Delaware.

#### Legislation Considered

# Electrification Pending

Electrical Examiners - S. B. 104, passed Senate May 10, 1955, amends Title 24, Delaware Code, by creating a StatetBoard of Electrical Examiners and represcribing regulations for the reduction of fire hazards and for the protection of life and property. (S. B. 88, similar to S. B. 104, was stricken from the Senate Calendar on February 17, 1955.)

#### Failed

Public Service Cormission - S. B. 97, strice from Calendar, would have repealed Section 122, Title 26, Delaware Code, which exempts municipally owned utilities from the jurisdiction of the public service commission.

# Electrification and Telephone

### Pending

Public Service Cormission - H. B. 577, pending in House Cormittee on Revised Statutes, would amend Chap. 1, Title 26, Delaware Code, relating to the powers, duties and functions of the Public Service Cormission.

- S. B. 244, pending in Senate Cormittee on Public Lands, would amend Chap. 1, Title 26, Delaware Code, by requiring public utilities to notify property owners of their intention to discontinue service and providing for civil liability for damages. (S. B. 264, similar to S. B. 244, stricken from the Senate Calendar.)

### Failed

Public Service Cormission - S. B. 445, stricken from Senate Calendar, would have amended Title 26, Delaware Code by abolishing the Public Service Cormission.

- H. B. 489, died in House, would have amended Chap. 1, Title 26, Delaware Code, pertaining to the Public Service Commission.

Utilities - Condennation - S. B. 217, defeated in Senate, would have amended Chap. 61, Title 10, Delaware Code, relating to condennation, by granting to every corporation incorporated for the purpose of and engaging in the telephone, telegraph business or the business of distributing electricity in the State of Delaware, additional power to condenn and appropriate private property in certain cases under the power of eminent domain, for the construction, maintenance and operation of its lines and facilities and by providing for the determination of just compensation in such cases.

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1956 Florida Legislation - Final Report Special Session: July 23 to August 1, 1956

(Governor LeRoy Collins called the Florida legislature into special session to consider school legislation and related subjects. The legislature is limited to consideration of subjects listed in the Governor's call plus any others submitted by two-thirds vote of the members.)

No legislation of interest to REA borrowers was noted.

(The special session of the legislature which convened June 6, 1955 for the purpose of considering redistricting legislation, recessed September 30, 1955 to June 4, 1956. On June 11, 1956 this session recessed to November 11, 1956.)



1956 Georgia Legislation - Final Report Session: January 9 to February 17, 1956

#### Legislative Program

#### Electrification and Telephone

REA borrowers did not undertake a legislative program.

#### Legislation Considered

# Electrification Enacted

Okefenokee Rural Electric Membership Corporation - Easement - H. Res. 13-33b, approved February 27, 1956, Res. Act 29, ratifies an easement granted by the State of Georgia to the cooperative.

Jackson Electric Membership Corporation - Compensation for Danages - H. Res. 95-26li, approved February 23, 1956, Res. Act 40, provides compensation to the cooperative for damage to its electric transmission lines.

Electricians-Examination - H. B. 576, approved March 9, 1956, Act 387, amends the act providing for the examination of qualified electricians for the right to engage in their vocations in counties having a population of not less than 85,000 nor more than 90,000.

City of Moultrie-Utility Systems - S. B. 51, approved March 17, 1956, Act 477, amends act creating a new charter for the City of Moultrie and establishing the city electric, gas and water systems, by providing that all parts of such systems located and operated outside of said city are public utilities.

Rural Electric Cooperatives - Rates - H. Res. 253, adopted February 16, 1956, provides for the appointment of a committee of five representatives to investigate electric rates charged by rural electric cooperatives.

### Failed

Electric Facilities - Revenue Certificates - H. B. 446, died in House, would have amended the Revenue Certificate Act of 1937, so as to include electric generating and distribution systems, electric utility systems, and electric transmission lines.

- S. B. 106, died in Senate and H. B. 608, died in House, would have authorized the issuance of revenue anticipation certificates by counties, municipal corporations and political subdivisions for electric and gas facilities as provided in paragraph V, Section VII, Article VII of the Constitution, provided such certificates are first voted at an election as therein required.

# Electrification and Telephone Failed

<u>Public Utilities - Investigation - H. Res. 2-18b</u>, died in House, would have created a cornittee of the House to investigate certain matters relative to public utilities.

1956 Kansas Legislation - Final Report Session: January 10 to February 8, 1956

(The regular session of the Kansas legislature convening in even numbered years is restricted to consideration of the budget report, appropriation bills for the succeeding year and revenue bills.)

#### Legislative Program

#### Electrification and Telephone

REA borrowers did not undertake a legislative program.

### Legislation Considered

No legislation of interest to the REA electrification or telephone programs was noted.



1956 Kentucky Legislation - Final Report Session: January 3 to February 18, 1956 First Special Session: February 27 to March 8, 1956 Second Special Session: March 9 to March 28, 1956 Third Special Session: March 29 to April 6, 1956 Fourth Special Session: April 9 to April 27, 1956

#### Legislative Program

### Electrification and Telephone

REA borrowers did not undertake a legislative program.

#### Legislation Considered

#### Electrification

Condennation Proceedings - Hydroelectric Dans - S. B. 72, approved February 18, 1956, amends Sec. 416.130 KRS to authorize corporations constructing dans for the purpose of producing hydroelectric power or improving navigation to elect to follow condennation procedures provided in Sections 416.230-416.310 KRS for oil and gas pipe lines, or in Sections 416.010-416.080 KRS for railroads.

<u>Upper Cumberland River Dams</u> - S. Res. 30, enrolled February 18, 1956, urges Congress to appropriate funds for construction of dams required to complete the Upper Cumberland River system.

## Failed

Power Line - Rights of Way - Spraying - S. B. 128, died in Senate, would have required that a license be obtained from the county clerk for spraying power line rights of way with chemicals or compounds injurious to animal or plant life.

# Electrification and Telephone Enacted

Uniform Cornercial Code - Study - S. Res. 16, approved February 18, 1956, directs the Legislative Research Cornission with the assistance of the Kentucky State Bar Association to make a study and report on the proposed Uniform Cornercial Code. Report is to be made by July 1, 1957.

Copper Wire - Junk Dealers - H. B. 223, approved February 27, 1956, requires junk dealers to keep a register of copper wire and cable purchased and report to the sheriff of the county in which such purchase is made and the sheriff of the county in which his business is located all such purchases within twenty-four hours.

Public Service Cormission - Appointment of Cormissioners - S. B. 218, approved February 23, 1956, amends Sec. 278.050 KRS to provide for appointment of all three members of the PSC on or before March 1, 1956 for a term of four years (replaces present system of appointment for four year staggered terms). Sec. 278.060 is amended to delete the provision requiring

commissioner to devote his entire time to the office. Sec. 278.120 is amended to increase the salary of the chairman to \$10,000 per annum and to increase the salaries of the other two commissioners to \$7,500 per annum.

#### Failed

Public Utilities - Rate Increases - H. B. 444, died in House, would have amended Sec. 278.180 and 278.190 KRS to provide that public utilities are no longer permitted to raise rates pending hearing by the Public Service Cormission, unless the PSC should find an emergency exists and grants a temporary rate increase pending completion of the hearing.

Public Utilities - Business Activities - H. B. 144, died in House, would have prohibited any public utility from engaging in a business other than that provided in its certificate of convenience and necessity.

# Telephone Failed

Telephone Cooperatives - Operators - S. Res. 38, died in Senate, would have directed the Public Service Cormission to require telephone cooperatives to keep at least one operator on duty at all hours.

Intrastate Telephone Rates - H. B. 174, died in House, would have amended Sec. 278.170 KRS to provide that rates for intrastate telephone service may not exceed rates for interstate telephone service under substantially similar conditions by more than ten percent.

The four special sessions of the Kentucky legislature were called to consider natters relating to government reorganization, highway legislation, appropriations and taxation, respectively.

No legislation of interest to REA was noted in the first three sessions.

The following bills were considered in the fourth special session:

### Electrification Enacted

Wolf Creek Dan - Steam Generating Plant - S. Res. 18, adopted April 24, 1956, requests the Congress to take necessary legislative action to insure the construction of a steam power generating plant near Wolf Creek Dam on Lake Cumberland.

## Telephone Failed

Telephone Service - Boone County - S. Res. 12, died in Senate, would have requested the Public Service Cormission to investigate the local telephone companies serving Boone County with respect to the adequacy and quality of service rendered and to submit a report of its findings to the next General Assembly.

1956 Louisiana Legislation - Final Report Session: May 14 to July 12, 1956

### Legislative Program

#### Electrification

Louisiana Electric Cooperative appointed a committee to investigate and report on the desirability of sponsoring legislation dealing with liability in damages resulting from accidents occurring when persons other than employees come in contact with high voltage lines. Draft of legislation was prepared and submitted to REA for comment and recommendation which was furnished. The State Association decided against sponsorship of the bill at this session of the legislature.

#### Electrification and Telephone

At the request of the Louisiana Electric Cooperative, REA supplied a draft bill to control the sale of scrap copper wire or cable in order to prevent theft of this material (See H.B. 1120, below).

#### Legislation Considered

# Electrification Failed

Power Use Tax - H.B. 310, died in House, would have repealed Sections 1151 to 1160, Title 47, Louisiana Revised Statutes, relative to the power use tax.

# Electrification and Telephone Enacted

Copper Wire - Junk Dealers - H.B. 1120, approved July 12, 1956, Act 388, adds Section 579 to Title 51 Chap. 2, Part V, Louisiana Revised Statutes, providing for the keeping of a register by purchasers of copper wire or cable showing the names of vendors and description of each purchase. Registers are to be available for inspection and a report of each purchase is to be made within 24 hours to the sheriff of the parish in which the business is located. Penalty is provided for failure to comply with the provisions of this section.

Public Service Commission - Organization - H. 727, adopted July 10, 1956, Act 619, a joint resolution proposing an amendment to Sections 3 and 8 of Article VI of the Constitution to increase the membership of the Public Service Commission from 3 to 5 members and redistricting the State to 5 districts from each of which one member is to be elected.

Contractors - Licensing - H.B. 979, approved July 5, 1956, Act 233, regulates the practice of contracting in Louisiana and creates and establishes a Licensing Board for contractors.

#### Failed

Utility Deposits - Refunds - H.B. 357, vetoed by Governor would have amended Section 152 of Title 9, Louisiana Revised Statutes, to simplify the method of refund of utility deposits held by the collector of revenue.

Utilities - Taxation - H.B. 1041, died in House, would have proposed an amendment to Article 10, Section 5 of the Constitution, by adding a new paragraph authorizing parishes or municipalities to levy a tax not to exceed 2% of the gross proceeds from the sale, lease, rental or delivery of electric power, natural gas, water, and telephone utilities and services.

Public Service Commission - S.B. 375, died in Senate, would have amended Section 465, Title 49, Louisiana Revised Statutes, relating to the appearance of members of the public service commission and tax commission in litigation. The bill would have permitted commissioners to appear or plead in civil suits against public utilities.

- S.B. 376, died in Senate, would have amended Section 1180, Title 45, Louisiana Revised Statutes, relating to the expenses of investigations conducted by the Public Service Commission by providing that expenses incurred by the PSC in setting rates be charged to public utility whose rates are fixed.

# Telephone Failed

Taxation:- H.B. 1388, died in House, would have amended various sections of Title 47, Louisiana Revised Statutes, (Secs. 1001, 1002, 1003 (par.1), 1006 (par. A & B), 1008 (par. 4)) so as to separate the tax on public utilities into a tax on communication facilities and a tax on transportation facilities.

1956 Maryland Legislation - Final Report Session: February 1 to March 1, 1956 First Special Session: March 8, 1956

(The session of the Maryland legislature convening in even numbered years is limited in subject consideration to budget, revenue and financial matters of state government, emergency measures, and legislation for the general public welfare.)

#### Legislative Program

#### Electrification and Telephone

REA borrowers did not undertake a legislative program.

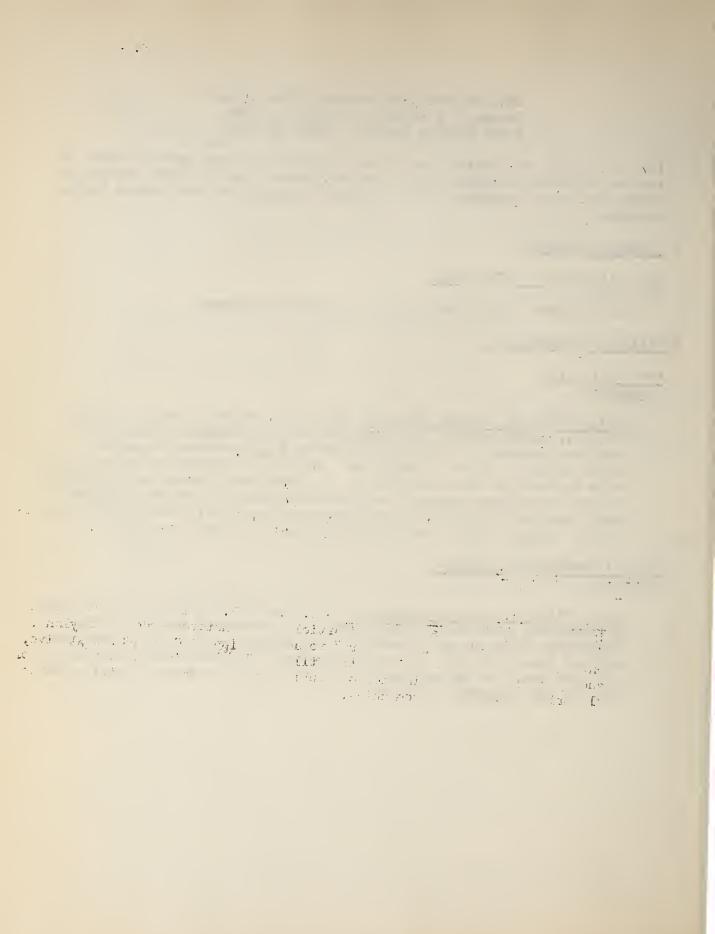
#### Legislation Considered

## Electrification Enacted

Public Utilities - Labor Disputes - H. B. 140, approved March 2, 1956, Chap. 41, amends Article 89, Annotated Code of Maryland, "Department of Labor and Industry" to add Sections 12C to 12L, inclusive, entitled "Labor Disputes in Public Utilities". This bill establishes the procedure to be followed in the resolution of industrial disputes and differences arising between employers and employees concerning wages, hours and other terms and conditions of employment in public utilities. The definition of "public utility" includes furnishing of electric service.

# Electrification and Telephone Failed

Public Utilities - Labor Disputes - H. B. 40, H. B. 106 and S. B. 40, died in Committee, would have amended Article 89, Annotated Code of Maryland, "Department of Labor and Industry" to add Sections 12C to 12U, inclusive, entitled "Labor Disputes in Public Utilities" to provide for settlement of such problems. The definition of "public utility" in these bills included electric and telephone companies.



1956 Massachusetts Legislation - Interim Report Session: January 4, 1956

(The 1956 session of the Massachusetts General Court was still in session on July 16, 1956, the date on which this report was prepared. Status of bills is reported as of that date. Upon adjournment, a final report will be distributed.)

## Legislative Program

#### Electrification

No REA borrowers.

## Telephone

Granby Telephone and Telegraph Co., an REA borrower, secured legislation authorizing it to borrow funds (see S. 519 below).

#### Legislation Considered

# Electrification Enacted

Electrical Installations - Regulation - H. 2943, approved May 25, 1956, Chap. 403, amends Section 3L of Chapter 143 of the General Laws, relating to regulation of installation, repair and maintenance of electrical wiring by adding a provision that "no person shall install any electrical wiring or fixtures subject to this section without first giving notice to the inspector of wires..." and providing a fine for failure to do so. H. 1440 relating to this subject was substituted by H. 2943.

## Pending

Atomic Energy - Study - H. 3168, reported from Ways and Heans Committee July 9, 1956, authorizes the department of public health to make an investigation and study relative to the peaceful uses of atomic energy. (This bill is based in part on H. 2929, report of the special commission established to make an investigation and study relative to procuring a steel mill and atomic plants within the Commonwealth.)

- H. 3044, reported from Joint Committee on Rules, May 22, 1956, would increase the scope of the special commission established to make an investigation and study of legislation pertaining to the industrial and economic development of the commonwealth by directing it to consider the procurement of a steel mill and atomic plants within the commonwealth. (This bill is based in part on H. 2929, see above.)

#### Failed

State Power Authority - S. 394, referred to next annual session, would have created the Massachusetts State Power Authority which would have been authorized and directed to: 1. Conduct a study of the availability of electric energy including atomic or other sources, and the manner best suited to make such energy available to the people of the state, and take steps necessary to see that transmission and wheeling arrangements are available to public and private systems; 2. Cooperate, negotiate and contract with agencies of the United States, other states and the Dominion of Canada, as well as public and private agencies, for the purpose of promoting the purposes of the act; and 3. Negotiate and contract for the acquisition, transmission and distribution of electric energy within the state.

Atomic Energy - H. 2267, refererred to next annual session, would have prohibited the creation of a monopoly in the production of atomic energy by providing that no exclusive franchise to produce energy by the use of atomic reactors be granted to any person or corporation in the Commonwealth.

Electric Bills - H. 2913, referred to next annual session, would have added Sec. 1198 to Chapter 164 of the General Laws to prohibit the sending of a bill or statement to a consumer for charges for gas or electricity by means of an open postal card.

Electrical Workers - Supervision - H. 2289, referred to next annual session, would have added Chapter 142A to the General Laws, providing for supervision of outside electrical workers, linemen, cable splicers, operators, metermen and station electricians.

# Electrification and Telephone Enacted

Electric and Telephone Lines - Underground - H. 2477, approved February 15, 1956, Res. Chap. 17, extends to March 15, 1956, the time for filing the report of the special commission established to make an investigation relative to the feasibility of putting certain power lines underground and other problems relating to the interruption of electrical and telephone service. H. 2454, substituted by H. 2477.

## Failed

Department of Public Utilities - Rate Increases - H. 2270, referred to next annual session, would have provided that increases in rates allowed by the Department Public Utilities become effective only on approval by the General Court (legislature).

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- Hearings - H. 1856,

referred to next annual session, would have required the Department of Public Utilities to hold public hearings in the area affected by any change in public utility rates or services.

- H. 2541,

killed in Senate, would have provided for the appointment of specialists to represent the consumers in hearings before the Department of Public Utilities involving utility rates. H. 458, substituted by H. 2541.

- H. 3103,

killed in Senate, would have required the office of the attorney general to represent the public at all hearings on petitions by public utilities before the Department of Public Utilities. H. 627, substituted by H. 3103.

Public Utilities Commission - Consumer Representation - H. 2050, referred to next annual session, would have provided for representation and protection of consumer interests on the commission by requiring that one of the five members be a person experienced in labor relations and consumer problems.

Public Utilities - Discontinue Service - H. 2269, referred to next annual session, would have required all public utilities to secure an order from the district court before discontinuing service.

- Advertising - H. 2268, referred to next annual session, would have required public utilities to obtain approval from the department of public utilities of any advertising that it proposes including the copy, format and cost of such advertising.

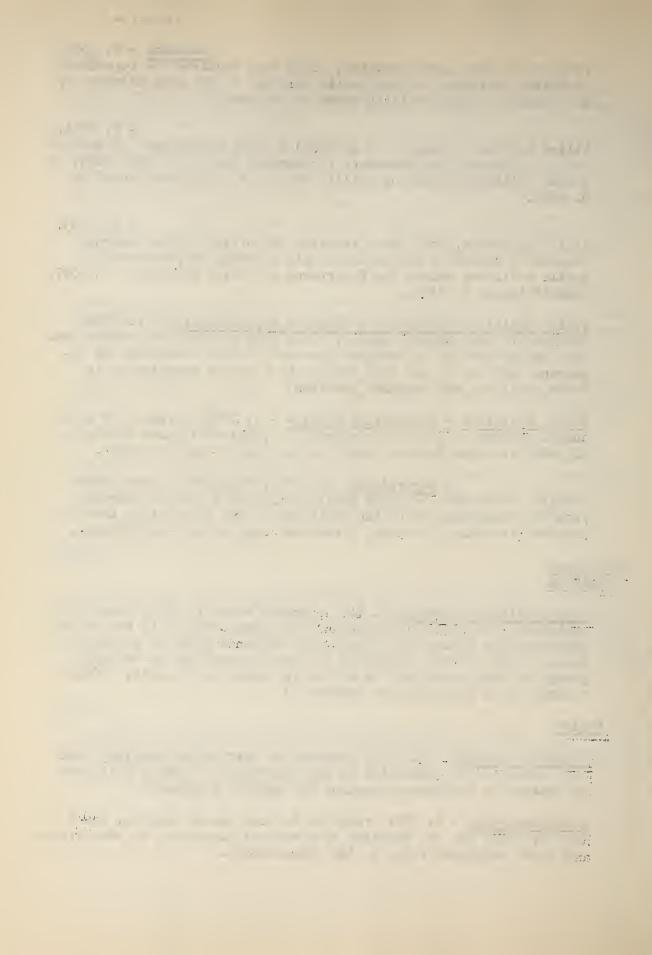
## Telephone Enacted

Granby Telephone Company S. 519, approved March 7, 1956, Chap. 163, authorizes the Granby Telephone and Telegraph Company to borrow not exceeding one hundred and thirty-five thousand dollars; to execute bonds, notes or other evidences of indebtedness; and to mortgage, pledge or hypothecate any or all of its assets as security. (This company is an REA telephone borrower.)

#### Failed

Telephone Charges - H. 2382, referred to next annual session, would have provided for regulation by the Department of Public Utilities of charges by telephone companies for special equipment.

Telephone Rates - H. 2391, referred to next annual session, would have provided for the creation of a special commission to investigate and study telephone rates in the commonwealth.



1956 Michigan Legislation - Final Report Session: January 11 to May 12, 1956 First Special Session: June 13 to (recessed July 18 to August 9)

## Governor's Message

The following excerpt is from the January 12, 1956 message of Governor G. Mernen Williams to the Michigan legislature:

"Atomic Energy Commission

"The full fruits of automation will not be realized until cheaper and practically unlimited power of atomic energy can be used.
"Atomic energy probably can be converted to earlier industrial use in Michigan than in most areas. This is for many reasons, including the fact that Michigan industry has participated from the beginning in experimental developments of atomic energy for peaceful use. It includes, also, the fact that fossil fuels, such as coal and petroleum, used here, generally cost more than they do in other states.
"For more than a year a Governor's Study Commission has been active in all aspects of the problems relating to peaceful uses of atomic energy. The time now has come for the Legislature to give specific recognition to the problem.

"Therefore, I recommend the creation of an Atomic Energy Commission for the promotion, control and broader study of the peaceful use of atomic energy. It should be organized along the lines of the Water Resources Commission and the Aeronautics Commission, that is, with representatives of interested state agencies and the general public."

### Legislative Program

## Electrification and Telephone

REA borrowers did not undértake a legislative program.

## Legislation Considered

## Electrification Enacted

Electrical Administrative Board - S. B. 1227, approved May 4, 1956, Public Act 217, provides for the creation of an electrical administrative board, licensing of electricians and electrical contractors, and inspection of electrical wiring. Prohibits wiring installations except by licensed journeyman or electrical contractor after securing permit from the board or municipal authority; exempts, among other things, "minor repair work" (\$25.00 or less) and installations in single family home and outbuildings by occupant or owner. Townships of less than 7,500 population, except for certain cities or towns, are exempted from the provisions of this act unless they elect to be covered. Electrical installations shall be in conformity with not less than the minimum

standards prescribed by the 1953 national electrical code. The board may make rules and regulations necessary to enforce the provisions of the act and appoint electrical inspectors who shall meet the same qualifications required for a journeyman electrician. Fees for electrical inspection shall be fixed "at rates not higher than the average rate charged by the 3 highest populated cities in the state."

#### Failed

Atomic Energy Commission - H. B. 402, died in House Committee on State Affairs, would have created an atomic energy commission for the purpose of regulating and controlling the peacetime use of atomic energy, special nuclear fuels and radioactive materials.

## Telephone Enacted

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Telephone Companies - Taxation - H. B. 423, approved 4/26/56, Public Act 203, amends Sec. 207.4 Compiled Laws of Michigan relating to the annual assessment of property of transportation, telephone and telegraph companies by increasing from \$500 to \$1,000 the amount of gross receipts a telephone or telegraph company may receive from business in the state of Michigan and continue exempt from taxation. Sec. 207.6 is amended to provide that the annual report of a telephone and telegraph company required to be filed with the state board of assessors shall be filed for companies whose annual gross receipts exceed \$1,000,000 between January 1 and March 31 and for companies whose annual gross receipts do not exceed \$1,000,000 between January 1 and March 15. (Reports previously were required to be filed by February 15.) Sec. 207.9 relating to the valuation of property of telephone companies is amended by adding that the state board of assessors in making such determination may be guided "by any other uniform factors which reflect a fair allocation of value to this state."

Governor G. Men on Williams called the Michigan legislature into special session on June 13 to consider unemployment compensation matters. The legislature may only consider subjects listed in the Governor's call plus any additional items submitted.

No legislation of interest to REA borrowers noted.

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1956 Mississippi Legislation - Final Report Session: January 3 to April 6, 1956

## Governor's Message

The following excerptais from the January 17, 1956 inaugural address of Governor J. P. Coleman to the Mississippi legislature:

"Regulation of Public Utilities

In October 1954, I became the first of the candidates for governor to advocate effective state regulation of all public utilities, including electric power companies, natural gas companies and telephone companies. All of the candidates for governor took a similar position, and I think there is no question that the overwhelming majority of both houses of this legislature keenly feel the pressing need for action in this field. Mississippi is the only state in the union which, to date, has made no effort from the state level to regulate electric power conpanies and natural gas companies. For lack of the necessary accountants, rate experts, and valuation engineers, our efforts at telephone rate regulation have been almost worthless. Under the decisions of the U.S. Supreme Court the legislature has no way to prevent these utilities from appealing rate making decisions to the courts. The only remedy for the situation, and one which is readily available to us, is to have a regulatory body so well staffed and so well trained that the rates, when fixed, will stand the test of reasonableness in the courts. this legislature should adjourn without taking these necessary steps in behalf of the people of Mississippi, and leaving the consumer in that same attitude he has been forced to occupy in all past years, it would, in my judgment, be one of the greatest failures of your service here. From meetings and discussions already had with you on this important subject, I have no doubt that you will deal successfully with this problem."

## Legislative Program

## Electrification

The Mississippi Rural Electric Association considered sponsoring legislation relating to the following subjects:

(1) Prevention of accidents resulting from contact with power lines (See H. B. 850, below);

(2) Payment for moving poles and lines from private lands in connection with highway construction (not introduced); and

(3) Continuance of cooperatives' right to serve in areas incorporated into nunicipalities (not introduced).

The State Association carefully reviewed degislation proposed by Governor Coleman (see message above) to strengthen and extend the regulatory powers of the Public Service Commission and was active throughout legislative consideration of the measure on behalf of its electric cooperative members (See H. B. 123, below).

#### Legislation Considered

# Electrification Failed

Power Lines - Accident Prevention - H. B. 850, died in House, related to the prevention of accidents due to contact with power lines by making it unlawful for any person to perform any acts, or require others to do so, within six feet of high voltage overhead lines. The bill would have provided for the establishment of precautionary measures to be employed in the vicinity of such lines. Failure to comply with the provisions of the act would have been a misdemeanor.

Power Lines - Tampering - H. B. 842, died in House, would have made it a crime for any person to tamper with or destroy electric power lines, systems, properties and installations. (This bill is the same as H. B. 563, which failed to pass at the 1954 session of the legislature.)

TVA Power - East Mississippi Rural Electrification Association - H. C. R. 16, died in House, memorializes Congress to authorize and direct the Tennessee Valley Authority to enter into negotiations and contracts with the East Mississippi Rural Electrification Association so as to provide for and make available to the rural sections of Lauderdale County, Miss., TVA electrical power and service.

Electric and Gas Meters - Inspections - Annual Fees - H. B. 327, died in House, would have authorized the notor vehicle comptroller to make an annual inspection of three phase electric meters and an inspection once every four years of single phase electric meters. The bill would have provided for the levy of an annual fee of \$1.00 on all meters, regardless if inspection is made, to defray the expense of such inspections. Sec. 3 prohibited the cost of such fees from being added to rates charged or from being passed on to the consumer in any manner. (This bill is the same as H. B. 535, which failed to pass at the 1954 session of the legislature.)

Power Tax - H. B. 138 and H. B. 845, died in House, would have imposed a tax on the use of power, provided for the determination of rates and the administration of its provisions. (These bills are similar to H. B. 994 which failed to pass at the 1954 session of the legislature.)

## Electrification and Telephone Enacted

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Public Service Cornission - Regulation of Utilities - H. B. 123, approved and effective March 29, 1956, enlarges and extends the jurisdiction of the Mississippi Public Service Cormission over public utilities, including cooperatives.

- Members - Terms of Office - H. B. 186, approved April 5, 1956, amends Sections 7638, 7691 and 7693, Miss. Code of 1942 relating to the terms of office and salaries of members of the Public Service Commission.

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## Failed

Cooperative Public Utilities - Franchises - S. B. 1937, died in Senate, would have amended Section 73, Laws of 1950, to provide that in certain cases the governing body of a municipality may by ordinance grant to a member-owned public utility a franchise or the right to use the streets and other public places in the municipality without having such ordinance approved at an election. H. B. 863, same as S. B. 1937, died in House.

Public Utilities - Taxes - H. B. 952, died in House, would have amended Sec. 139, Chap. 491, Laws of 1950, to remove 2% franchise tax on public utilities and allow municipalities to levy a 2% sales tax.

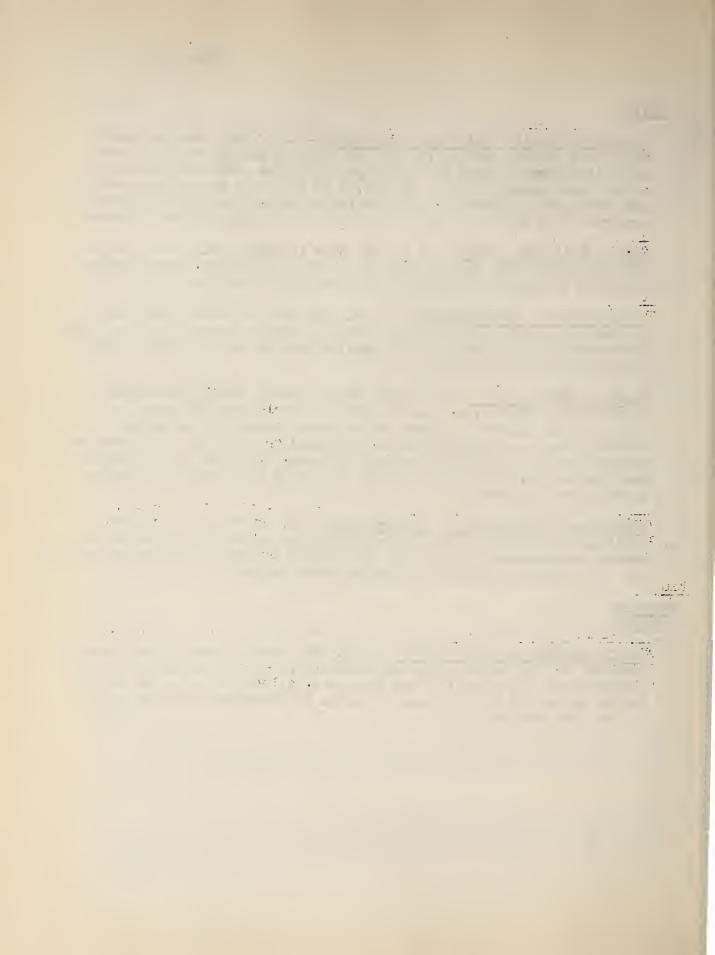
Utility Rates - Investigations - H. B. 553, died in House, would have provided an appropriation for the office of attorney general to make rate investigations in connection with applications for rate increases before the Public Service Commission.

Venue of Civil Actions - H. B. 841, died in House, would have amended Section 1434, Mississippi Code of 1942, to provide for the venue of civil actions against"...power, super-power, telegraph, telephone, electric power ... corporations and associations and against corporations, associations and individuals owning, managing, operating or controlling such businesses." (This bill is the same as H. B. 560 which failed to pass at the 1954 session.)

Public Service Cormission - Disbursements - H. B. 733 died in House, would have amended Sec. 7694, Code of 1942, to provide for approval of certain disbursements made by the chairman of the Public Service Cormission and to increase the maximum authorized expenditures.

## Telephone Failed

Rural-Telephone Cooperative Act -IH. B. 244, died in House, would have provided for the organization and operation of rural telephone cooperative corporations. (This bill is the same as H. B. 444 and S. B. 397 which failed to pass at the 1952 session and H. B. 322 which failed to pass at the 1954 session.)



1956 Missouri Legislation - Final Report Special Session: February 27 to April 27, 1956

(Governor Phil M. Donnelly called the Missouri legislature into special session to consider various appropriation matters. The legislature may only consider subjects listed in the Governor's call plus any additional items submitted.)

No legislation of interest to REA borrowers was noted.

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(Governor Charles H. Russell called the Nevada legislature into special session to consider legislation relating to school districts. The legislature is limited to consideration of subjects listed in the Governor's call plus any additional items which he may submit.)

No legislation of interest to REA borrowers was noted.



1956 New Jersey Legislation - Interim Report Session: January 10, 1956 -

(The 1956 session of the New Jersey legislature was still in session as of July 16, 1956, the date on which this report was prepared. Status of bills is reported as of that date. Upon adjournment a final report will be distributed.)

## Legislative Program

## Electrification and Telephone

REA borrowers did not undertake a legislative program.

#### Legislation Considered

## Electrification Enacted

Public Utilities - Gross Receipts Tax - A. B. 122, approved April 10, 1956, Chap. 15, amends Chap. 5, Laws of 1940 as amended by Chap. 264, Laws of 1952 and Chap. 268, Laws of 1955, relating to taxation of the gross receipts of certain public utility corporations occupying the public streets, highways, roads or other public places to provide that the tax now imposed annually at the average rate of taxation shall not exceed  $7\frac{1}{2}$ % or be less than 5% of its gross receipts from business in the state.

## Pending

Atomic Energy Study Commission - S. J. R. 11, passed Senate May 17, 1956 and Assembly July 16, 1956, creates an Atomic Energy Study Commission of 15 members to be appointed as follows: 5 members by the Governor; 5 Senators by the Senate President; and 5 Assemblymen by the Assembly Speaker.

## Electrification and Telephone Pending

Public Utility - Labor Disputes - S. B. 118, in Senate Judiciary Committee and A. B. 75, A. B. 147, and A. B. 172 in Assembly Judiciary Committee, repeal Chap. 38, Laws of 1946, concerning labor disputes in public utilities and providing for compulsory arbitration.

Uniform Commercial Code - Study - A. C. Res. 3, in Assembly Committee on Revision and Amendment of Laws, creates a legislative commission to study the Uniform Commercial Code.

## Failed

Public Utility - Rights of Way - A. B. 354, vetoed by Governor, would have required the filing of a map or plat of rights of way acquired by public utilities over privately owned lands as a prerequisite to the recording of such acquisition.

Electrical Contractors - Licensing - A. B. 44, killed in Assembly June 28, 1956, would have provided for licensing of electrical contractors by the State and established a board of electrical examiners to conduct examinations and issue licenses. The bill defined "electrical contractors" to include "a person, firm or corporation whose principal occupation and business is the installation of wires, conduits, apparatus, fixtures, or other appliances for carrying, transmitting or using electricity for light, heat, communication or power." The statement of explanation accompanying this legislation indicates that an increasing number of municipalities have adopted ordinances requiring a license to do business as an electrical contractor and the purpose of the bill "is to eliminate a multiplicity of municipal examinations and to establish one high standard of qualification for the electrical contractor doing business in this State."

1956 New York Legislation - Final Report Session: January 4 to March 23, 1956

### Governor's Message

The following excerpt is from the January 4, 1956 message of Governor Averell Harriman to the New York legislature:

"In August, I organized the State Council on the Uses of Nuclear Material, and appointed to it the Commissioners of Commerce, Health and the Industrial Commissioner. In addition to protecting those who make their livelihoods in plants using nuclear products, this council will assist industries to find uses for atomic energy, will assist in the development of nuclear energy for electric power and will help industry expand the use of radio-isotopes as research tools. In order to preserve the industrial leadership New York State has already taken in the field of nuclear energy, I believe a State Atomic Energy Law is needed, and I will have specific recommendations to make at a later time."

"St. Lawrence and Niagara Power

"For too many years we have waited for the development of the enormous electric power resouces of the St. Lawrence and Niagara Rivers for the benefit of millions of consumers.

"At the St. Lawrence project, substantial progress has been made on all phases of construction. Contracts for the sale of a large portion of St. Lawrence power have been entered into by the Power Authority; one has already been approved by me. These will serve to give employment to many thousands in industry in the North Country, serve municipal operation in Plattsburg and supply energy to the United States Air Force base in Clinton County.

"In addition, in accordance with the Federal license, one of these contracts calls for the sale of 100,000 kilowatts to the Public Service Commission of Vermont for their rural and domestic consumers. The Power Authority will build a transmission line from Massena to Plattsburgh and across Lake Champlain.

"In connection with this, a question was raised, accompanied by the possibility of a lawsuit, as to the right of the Authority to build this transmission line. It is my opinion and that of the Authority that it has this right under existing law. Although agreement was reached with those who originally objected to the Authority's transmission line, it is desirable that future controversy over this subject, including possible costly litigation with its ensuing delay, be avoided. To that end, I propose that your Honorable Bodies amend the law so as to make it entirely clear that the Authority can erect or acquire transmission lines to conduct electricity to the points at which it is sold by the Authority to those who distribute and sell the electricity to the ultimate consumer.

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"An even greater volume of electricity can be developed from the Niagara. This project has long been blocked by five private utility companies which have been trying to get control over Niagara for themselves. It is shameful that while Canada has acted promptly to take advantage of its share of this great resource, we have been delayed by the opposition of those who would exploit the State's resources for their own selfish gains

"I believe that the public interest in the development of the electric potential and the scenic beauty of Niagara Falls would best be protected by the Federal legislation sponsored by Senator Herbert H. Lehman with the amendments that were agreed upon at the Senate Committee hearing. I hope that all persons who are interested in making available to our consumers the low cost electricity of the Niagara will join in pressing for the adoption of this important legislation.

"With the strong possibility of action at this session of Congress, it is not appropriate, and would only confuse the situation, for the Power Authority to make application to the Federal Power Commission prior to legislation."

#### Legislative Program

## Electrification and Telephone

REA borrowers did not undertake a legislative program.

## Legislation Considered

# Electrification Enacted

Atomic Energy - Development Study - A. Res. 205, adopted March 22, 1956, creates a joint legislative committee on State's economy which is directed to study various problems including the effect of development of atomic energy on the economy of the State of New York. The committee is to file its report to the legislature by March 1, 1957 (see bills on Atomic Energy, below).

## Failed

Power Authority - Power Preference - S. 3338, died in Senate and A. 3844 died in Assembly, would have amended Sec. 1005, Public Authorities Law, to require state power authority to give preference to state agencies, political subdivisions, non-profit rural electric cooperatives and feder al agencies in contracting for disposition of power. (Note: In the following special message to the legislature on February 23, Governor Harriman requested the legislature to enact legislation on this subject:

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'"One of the great values of the St. Lawrence power project--and one of the reasons why the people of the State decided in favor of public rather than private development of those resources--is to provide a "yardstick" for reasonable electricity rates to the consumer. In our free enterprise system, we rely on the forces of competition to assure the consumer an ample output of goods or services at the minimum price. In the field of electric power the equivalent of competition can best be brought about through the public yardstick. Experience elsewhere in the country has shown the effectiveness of such a yardstick in providing an incentive for private companies to decrease their rates and expand their services--bringing benefits to consumers and investors alike.

"It is clear from the State Power Authority Act as a whole that the Legislature intended that such public yardstick operations be established, but the language as it stands has shortcomings and omissions that need to be corrected.

"In the first place, as I mentioned in my Annual Message, it needs to be made entirely clear that the Authority can erect transmission lines.

"In the second place, the provision for preference to public distributing bodies has been challenged and, to avoid litigation, needs to be clarified. Moreover, the provision should be extended to cover rural cooperatives.

"The concept of public preference has been in every Federal enactment relating to river development and hydroelectric power for half a century--since the first Reclamation Act in 1906, and including the Flood Control Act of 1944. The same provision is in the Lehman Bill for development of the Niagara, which I hope will be enacted at this session of the Congress.

"With the passage of the Rural Electrification Act in 1935, rural cooperatives have properly been given the same priority status in Federal legislation as that accorded to other non-profit distribution systems, owned by municipalities and other public bodies. But the rural cooperatives are not included in the preference clauses of our State law.

"The electricity requirements of New York's rural cooperatives, although relatively small, will increase steadily, and it is important to their growth that their power supply be assured from public sources rather than leaving them dependent upon private companies whose interests are often opposed to those of the rural cooperatives. Some of the smaller municipal systems which do not have their own generating plants need the same protection.

"I recommend that your Honorable Bodies enact legislation at this session which will enable the Power Authority to construct transmission lines and to require the Authority in its sale of power to give preference to State agencies, municipalities and other subdivisions of the State: and to rural electric cooperatives.")

Power Authority - Rates - S. 1158 and A. 1677 died in Assembly, would have amended Secs. 1005 and 1014, Public Authorities Law, to repeal provision directing state power authority to regulate resale rates of power to be paid by ultimate consumers.

Power Authority - Transmission Lines - S. 1660, died in Senate and A. 2155, died in Assembly, would have amended Sec. 1005, Public Authorities Law, to strike out provision that state power authority may acquire transmission lines or use thereof by contract only with owners or by erection by authority of such lines necessary. (Note: In his special message of February 23 to the legislature, Governor Harriman requested enactment of legislation to clarify the right of the State Power Authority to construct transmission lines.)

Power Authority - Niagara River Improvement - S. 1106, died in Senate and A. 1593, died in Assembly, would have amended the Public Authorities Law, to strike provision giving Authority jurisdiction to improve Niagara River and to regulate its use for generation and sale of power.

Niagara River - Hydroelectric Power Development - S. 3268, S. 3269, S. 3305, S. 3306, all died in Senate, and A. 3610, A. 3797, A. 3780, A. 3783, all died in Assembly, would have provided for submission to voters at 1956 general election the question whether the State Power Authority or private utilities should be authorized by the U. S. Congress to undertake the additional hydroelectric power development of the Niagara River.

Atomic Energy - Development - S. 467, died in Senate and A. 844; died in Assembly, would have added Article 19A to Executive Law, to establish in the executive department a division of atomic development activities for regulating the peaceful uses of atomic energy and industries producing or utilizing such energy.

S. 2403, died in Senate and A. 2896, died in Assembly, would have added Article 29A to General Business Law, to create a council of state officials to coordinate development and regulatory activities relating to peaceful uses of atomic energy. (Note: In the following special message to the legislature on February 15, Governor Harriman requested the enactment of legislation creating a council of State officials to coordinate atomic developmental activities:

"As I indicated in my Annual Message, a State Atomic Energy Iaw is needed if New York State is to maintain its preeminence in the industrial development of peacetime applications of atomic energy and nuclear materials. The Manhattan District project first harnessed the atom started in New York State. It is fitting that New York State should continue its leadership in the field. Hundreds of firms, located in New York State, service the growing atomic industry. These include every phase of nuclear industry, from the manufacture of the sensitive film badges worn by personnel who may be exposed to radiation, to the design and construction of nuclear power reactors.

"There are two aspects of peacetime atomic energy in which we are interested; first, the adequate protection of the public and, more particularly, of employees of atomic and nuclear installations, and, second, the development and encouragement of the industry itself.

"It is important to recognize that in both respects the problems involved are not separate and distinct from parallel problems in other fields. The public health and public safety aspects of peaceful atomic development are inter-related with corresponding activities in the Department of Health and the Department of Labor. Similarly, the encouragement of atomic industrial development is an inextricable part of the Commerce Department's over-all program for the encouragement of business in the State. In neither case should the atomic phases of the activity be separated out and put under a new, independent agency. Since the State is not and does not expect to be engaged in the construction and operation of nuclear facilities, as the Federal Government is, there is no need for a separate State agency for that purpose.

"What is needed immediately is legislation to assure the business community, labor and the public, that New York State is prepared and anxious to move ahead in the development of atomic industry and that its policies in that respect will be coordinated with those of the Federal government and of neighboring States, so that there need be no fear of unduly restrictive legislation in the future. To pursue these objectives the most efficient (and most economical) agency would be a small council composed mainly of the principal State officials involved. Such a council would be able to coordinate the various governmental programs affecting atomic industry within New York State, and to see that they do not overlap or conflict with the controls and operations of the Federal government. The Council could also work out with other states any interstate problems which might arise, such as, for example, threatened pollution of the atmosphere or streams.

"It would be well for the work of such a council to be supplemented and supported by an advisory committee to be drawn from top-level scientists and technicians, industry leaders and labor groups affected.

"I recommend the enactment of legislation which will accomplish these purposes.

"It will be, of course, necessary for us continually to explore new methods of stimulating atomic industrial development. This work can take advantage of studies which have already been completed, such as those on a national scale made by the Citizens Panel on the Peaceful Uses of Atomic Energy and the National Committee on Radiation Protection, the regional studies made by the New England Committee on Atomic Energy which are well adapted to conditions in New York State, and the work already done at my request in our Departments of Labor, Health and Commerce.

"But the enactment of a State Atomic Energy Law along the lines of the model statute developed in this field should not be postponed. It is important now to create a framework of legislation within which businesses interested in peaceful development of atomic energy can pursue their activities in an orderly manner without undue uncertainty. No additional appropriations are needed for this purpose.")

- Study S. 1462, died in Senate and A. 1946, died in Assembly, would have created a temporary commission of 5 members to study and coordinate development and activities relating to peaceful uses of atomic energy.
- A. 1569, died in Assembly, would have created a 12 member temporary commission to study effects of atomic developments on the people and industries of the state.

Electric Rates - S. 653, died in Senate and A. 383, died in Assembly, would have authorized the Public Service Commission to require electric and gas corporations filing optional rates to give notice annually to each customer as to which rates afford the lowest charges.

- A. 2519, died in Assembly, would have amended Sec. 72, Public Service Law, to require Public Service Commission to file a report with the legislature giving a summary of facts concerning any rate increases granted electric and gas corporations.

Electric Submetering Corporations - S. 651, died in Senate and A. 384, died in Assembly, would have amended Public Service Law to give the PSC supervision over electric and gas submetering corporations.

- 1219 and A. 1632, both died in Assembly, would have amended Public Service Law to require landlords who sell electricity to tenants through submetering or rent inclusion to charge same rates authorized for electric corporations operating in same territory.

# Electrification and Telephone Enacted

Abendoned Property - Utility Payments - A. 2546, approved April 18, 1956, Chap 778, adds Sec. 1311 to Abandoned Property Law to declare as abandoned property any funds held or owing by..., electric ... telephone... corporations collected within 8 years from consumer or subscriber for tax or assessment for which he was not legally liable together with interest received and unclaimed for two years from date of collection. (S. 2035, same as A. 2546, died in Assembly).

## Failed

Public Service Commission - Study - A. 1323, died in Assembly, would have provided for the appointment of a temporary legislative and executive commission to study and revise the public service law and procedures of the Public Service Commission.

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25300 CMSTD - Rate Hearings - S. 2758, died in Senate, and A. 1033, died in Assembly, would have amended Public Service Law to provide that Public Service Commission be required to hold hearings on rates of regulated utilities in county or counties most affected.

Public Utilities - Assessments - S. 2064, died in Senate, and A. 2286, died in Assembly, would have amended Tax Law to permit municipal assessors to require public utilities to supply information concerning real property subject to local assessment in same form as prescribed by state tax commission.

Abandoned Property - Utility Payments - S. 1175 and A. 1556, both died in Senate, would have amended Sec. 400, Abandoned Property Law to define as abandoned property any amount collected by utility corporation from consumer or subscriber for which consumer was not legally liable and which has been unclaimed for five years from date of collection.

## Telephone Failed

Telephone - Metering - S. 652, died in Senate, and A. 633, died in Assembly, would have amended Public Service Law to require telephone corporations to install metering device on each telephone to indicate the number of outgoing calls.

Rate Increases - A. 2520, died in Assembly, would have amended Secs. 92 and 97, Public Service Law, to require Public Service Commission to file a report with the legislature giving a summary of the facts concerning any rate increase granted for telephone or telegraph service.

Telephone Rates - S. 2665 and A. 3861, both died in Senate, would have amended Public Service Law to provide that rates and charges for telephone and telegraph ... corporations shall be based on reasonable return on capital actually expended, instead of value of property actually used in public service. (Note: In a special message to the legislature on March 22, Governor Harriman noted that this legislation had passed the Assembly and was pending in the Senate Finance Committee. He urged that the Senate act on this legislation in order to forestall impending increases in telephone rates which would cost telephone subscribers about \$\frac{1}{2}47.5\$ million annually.)

Local Telephone Calls - Sales Tax - S. 972 and A. 1603, both died in Assembly, would have amended Sec. 94, Public Service Law, to provide that Public Service Commission shall require telephone companies conducting business in a city which has imposed a sales tax to install equipment to segregate intra-city calls from all other calls in order that sales tax be collected only on intra-city calls.

Wire Tapping - Line Leases - S. 3091, died in Senate, and A. 3726, died in Assembly, would have added Sec. 104 to Public Service Law to require telephone company on receipt of copy of order authorizing overhearing or recording of telephonic communications by law enforcement officers to furnish such officer leased wire service at tariff rate approved by PSC.

1 6 2 1000 र्मेक्षा .... • : : post 1 migh 115  1956 North Carolina Legislation - Final Report Special Session: July 23 to 27, 1956

(Governor Luther H. Hodges called the North Carolina legislature into special session to enact legislation relating to schools: The legislature may consider any subject at a special session which may be considered at a regular session.)

No legislation of interest to REA borrowers was noted.

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1956 Ohio Legislation - Final Report Special Sessions: January 16 to 18, 1956 June 28 to July 2, 1956

(Governor Frank J. Lausche called the first special session of the Ohio legislature to consider appropriations for a capital improvement program. The second special session was called to consider legislation relating to taxes. The legislature is limited to consideration of subjects in the Governor's call plus any additional items submitted.)

No legislation of interest to REA borrowers was noted.



1955 Pennsylvania Legislation - Final Report Session: January 4, 1955 - May 22, 1956

## Legislative Program

#### Electrification and Telephone

REA borrowers in Pennsylvania did not sponsor legislation at this session.

## Legislation Considered

# Electrification Enacted

Municipal Authorities - Eliminate Requirement of PUC Approval of Acquisitions S. B. 455, approved October 22, 1955, Act 212, amends Section 9B of the Municipal Authorities Act of 1945 by eliminating the requirement of Public Utility Commission approval of the acquisition of projects and substituting therefor a requirement that the Authority first report to and advise the nunicipalities which created or are members of the Authority of the terms of the acquisition agreement.

#### Failed .

Electric Cooperative Corporation Act - Repeal of Tax Exemption - H. B. 1040, died in House Cormittee on Ways and Means, would have repealed Section 31 of the 1937 Electric Cooperative Act which exempts electric cooperatives from all state taxes upon payment of a fee of \$10 per 100 members.

Atonic Energy - Study - S. Con. Res. 175, adopted in Senate May 1, 1956, died in House Rules Committee, would have directed the Joint State Government Commission to make a study of the problems arising in relation to the economic development, utilization and control of atonic energy in Pennsylvania, and to report to the next biennial session of the General Assembly.

- Joint Legislative Cormission Study - S. Con. Res. 140, died in State Government Cormittee, would have established a joint legislative cormission to study the problems arising in relation to the development, use and control of atomic energy in the Cormonwealth.

- Development - S. B. 1003, died in Senate Cormittee on State Government, would have provided for coordination of development and regulatory activities relating to the peaceful uses of atomic energy. The bill provided for the establishment of an independent administrative board and the appointment of an executive secretary and prescribed their functions, duties and powers.

- S. B. 1006, died in Senate Committee on State Government, would have created a temporary State Atomic Energy Commission to undertake studies and coordinate development and activities relating to the peaceful uses of atomic energy.
- S. B. 1005, died in Senate Committee on State Government, would have created a temporary State Commission to study the effects of atomic development on the people and industries of Pennsylvania.
- Research S. B. 1004, died in Senate Committee on Education, would have empowered the Department of Public Instruction to create scholarships for study in the field of engineering and atomic research.
- S. B. 1007, died in Senate Committee on Appropriations, would have made an appropriation to the Trustees of the Pennsylvania State University for use in studying and making plans and recommendations for the establishment of advanced education programs in the utilization of atomic energy for peaceful purposes.

Electric Rates - Investigation - H. Res. 9, died in House Rules Committee, would have directed the Joint State Government Commission to study gas and electric rate increases in the past four years, and report to the General Assembly in June 1955.

Electric Facilities - Acquisition by Public Bodies - H. B. 117, died in House Municipal Corporations Committee, would have authorized cities, towns, etc. to construct, acquire, own, operate, sell and lease facilities for the production, transmission and distribution of electricity and other utility services within or without corporate limits.

Electric Fences - H. B. 1770, passed House, died in Senate Committee on Rules, would have amended the provisions of the Penal Code regulating the energizing of fence wires with electricity.

Electrical Administrative Board - H. B. 1993, died in House Committee on Rules, would have empowered every county to create an electrical administrative board and prescribe its duties and authority in regard to establishment of standards for electrical equipment, inspection of electrical installations, licensing of electrical contractors and journeymen, etc.

# Electrification and Telephone Enacted

Chattel Mortgages - Recording - H. B. 986, approved January 24, 1956, Act '288, reenacts with respect to chattel mortgages executed and filed between June 1, 1945 and July 1, 1954, the Chattel Mortgage Act of 1945 which was repealed by enactment of the Uniform Commercial Code, effective July 1, 1954. The 1945 Act governed the recording of REA chattel mortgages prior to July 1, 1954.

## Failed

Uniform Commercial Code - Amendment - S. B. 1029, vetoed May 31, 1956, would have amended the Uniform Commercial Code by further regulating filing with respect to perfecting security interests.

- Chattel Mortgages Recording H. B. 1507, passed House, defeated in Senate, would have amended Section 9-403 of the Uniform Commercial Code to require refiling of chattel mortgages every 5 years in place of previous provision making recording effective until stated maturity date.
- Public Utilities Rates H. B. 79 died in House public Utilities Committee and S. B. 164, died in Senate Corporations Cormittee, would have prohibited rate increases without public hearing.
- H. B. 496, died in Fouse Public Utilities Committee, would have required hearings to be held within the county where any increase in rates is to be effective.
- H. B. 500, died in House Public Utilities Committee, and S. B. 191, died in Senate Corporations Committee, would have defined fair value, required that just and reasonable rates shall be such as to provide fair return on fair value, and required written notice to designated parties of all changes and proposed changes in rates and tariffs.
- H. B. 862, died in House Public Utilities Committee, would have required notice to consumers in certain cases and authorized consumer-committee representation before the PUC with the costs to be paid by the public utility if the committee participation contributed to the determination of the issues.
- H. B. 1165, died in House Public Utilities Committee, would have imposed burden of proof by clear and convincing evidence upon the public utility in rate cases.
- H. B. 1899, passed House, died in Senate Committee on Corporations, would have changed the duties of utilities and the powers and duties of the PUC as to rate changes, and changed the time of taking effect.
- Taxation H. B. 237, H. B. 550, and H. B. 551, all died in House Committee on Municipal Corporations, would have amended the county assessment laws to make the real estate of public service companies taxable. Electric transmission lines and rights-of-way would have been excepted.
- Hearings S. B. 1072, died in Senate Committee on Rules, would have amended the Public Utility law by further regulating hearings and proceeding before the Public Utilities Commission.
- Labor Disputes H. B. 1236 and H. B. 1386, died in House Labor Relations Committee, would have repealed the 1947 act for the settlement of labor disputes affecting public utilities.
- H. B. 1768, passed House, died in Senate Committee on Labor and Industry, would have established procedure for the settlement of labor disputes in public utilities.
- Appeals S. B. 732, died in Senate Corporations Committee, would have amended 1937 Public Utility Act with respect to appeals to Supreme Court.

- Inclusion of Municipal Authorities - S. B. 134, died in Senate Corporations Cormittee, would have amended definition of "public Utility" to include Municipal and General State Authorities.

Public Utility Corrission - H. B. 238 and H. B. 1013, died in House State Government Corrittee, would have provided for election of members and for election of chairman by members in place of appointment by Governor.

- H. B. 1148, died in House Public Utilities Corrittee, and S. B. 937, died in Senate Corrittee on Corporations, would have created within the FUC a Bureau of Investigation.

- H. B. 1155, died in House Labor Relations Committee, would have required the appointment to the PUC of one representative of organized labor.

Excise Tax - H. B. 1913, died in House Ways and Means Committee, would have levied an excise tax on the storage, use or other consumption of tangible personal property.

## Telephone Enacted

Party Lines - Energency Calls - H. B. 180, approved June 23, 1955, Act 55, makes it a criminal offense to refuse to yield a party line for an energency call, and to neglect printing a notice explaining the offense in any telephone directory distributed to the public. (H. B. 864, identical bill, died in House Committee on Law and Order; S. B. 315, identical bill, died in Senate Judiciary General Committee.)

Corporations - Increase of Stock Indebtedness - H. B. 1510, passed House and Senate, Joint Resolution No. 5 proposes amendment of Section 7, Art. 16 of Pennsylvania Constitution to delete the requirement that stock indebtedness of private corporations may not be increased without stockholders' consent at meeting after 60 days notice.

1933 Non-profit Corporations Act - Amendments - H. B. 662, approved January 26, 1956, Act 294, would empower nonprofit corporations to transfer their property and assets in trust.

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1887 Cooperative Associations Act - S. B. 291, died in Senate Corporations Committee, would have amended this act to provide for perpetual existence and for prospective or retroactive amendments of articles dealing with duration of existence.

1933 Nonprofit Corporations Act - Amendments -H. B. 649, passed House, died in Senate Cormittee on Judiciary General, would have given members only power to make and amend bylaws unless articles or bylaws otherwise provide.

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1956 Rhode Island Legislation - Final Report Session: January 3 to April 28, 1956

## Governor's Message

The following excerpt is from the January 3, 1956 message of Governor Dennis J. Roberts to the Rhode Island legislature:

## "Atomic Energy

"The Geneva Conference of last summer demonstrated the tremendous impact of the atom on the peaceful pursuits of man. The atom contains a great new source of energy and power which has been developed in this country by the Federal government at a cost of over 12 billion dollars.

"Perhaps the most dramatic development of atomic energy for New England is the possibility of generating electric power from nuclear fission at a cost competitive with conventional fuels. It is essential to New England's economic progress that all possible assistance be given in developing competitive atomic power. The Atomic Energy Act of 1954 contemplates that New England should receive preferential treatment in this regard. For the welfare of New England as well as for the country, the results of the tremendous investments which the government has made must be used to overcome the high power cost disadvantage which has plagued New England.

"Some areas have already received benefits from this investment. To date, however, New England and Rhode Island have gained little. There is still no atomic reactor being constructed in New England. This is extremely disappointing to me in view of the tremendous possibilities of atomic development for New England. The surest way to bring government into this field is for private power interest to delay...to fail to respond to the immediate challenge of atomic discoveries. Failure to explore the nuclear power potential is something which New England cannot afford.

"A year ago I recommended to the Legislature the creation of a state commission to advise the Governor and the General Assembly with respect to atomic developments within the state. The commission has been appointed and is now organized and functioning. One of the serious considerations of the Rhode Island Atomic Energy Commission is the submission of an application for an experimental nuclear power reactor to be built in Rhode Island. There is a need, in the rapidly developing atomic power field, for trained operators. A reactor used principally for operator training located near the University of Rhode Island could be operated by University personnel.

"A second proposal under consideration by the Rhode Island Atonic Energy Commission would be a reactor built for research purposes. This type of reactor would be used to develop engineering information and for equipment testing.

"The United States Atomic Energy Commission will be asked to provide all or most of the capital costs of the installation under the provisions of the Atomic Energy Act of 1954. Such atomic facilities located in Rhode Island will contribute greatly to our potential in this field which promises to expand in the years ahead.

"The Rhode Island Atomic Energy Commission is now exploring with the commission staff the definite requests which will be made in the applications to be filed.

"I can see no reason why the work of the commission should not be successful in bringing to Rhode Island one of the first atomic reactors in New England."

#### "Public Counsellor

"I have submitted to you legislation providing for the creation of a position of Public Counsellor whose duty it would be to represent the rate payer in rate hearings involving public utilities in this state. The number of rate cases in recent years and the ever present possibility of further requests for rate increases make it essential that a rate case be recognized for what it is—namely, an adversary proceeding in which the public has an immediate stake. While the Division of Public Utilities presently carries the burden of evaluating rate applications, and passing upon them, its work would be immeasurably aided if the rate cases of the public utilities were subjected to examination and cross examination by the Public Counsellor.

"I shall, therefore, resubmit this legislation and I urge you to give it favorable consideration."

## Legislative Program

## Electrification and Telephone

No REA borrowers in Rhode Island.

## Legislation Considered

## Electrification Enacted

Atomic Energy Development - H. B. 937, approved April 6, 1956, requests the Rhode Island atomic energy cormission to give priority to investigating the possibility of a state owned and operated atomic power plant or plants.

#### Failed

Municipal Electric Systems - H. B. 832, passed House, died in Senate, would authorize any nunicipality in the state of Rhode Island to build or acquire an electric generating or distribution system.

## Electrification and Telephone Enacted

Highway Construction - Utility Relocation - H. B. 842, approved March 27, 1956, requests Congress to enact pending legislation that would require the Federal government to pay its share of costs for the relocation of utility facilities resulting from highway construction.

#### Failed

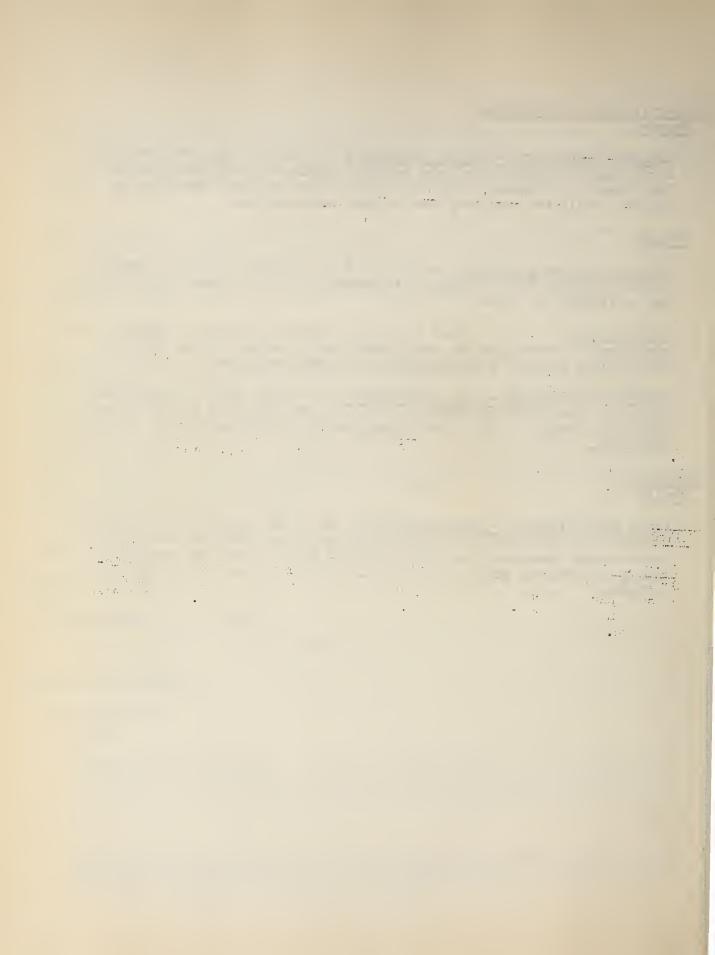
<u>Utilities - Rate Schedules - H. B. 831</u>, died in House, would have required public utilities to print their rate schedules on the reverse side of bills and to itemise all taxes.

Utility Rates - S. B. 49, died in Senate, would have created a special cormittee to investigate the established utility rates for the state of Rhode Island and make recommendations for their reduction.

Utility Rate Hearings - Public Counsellor - S. B. 2, died in Senate, and H. B. 506, died in House, would have created the office of public counsellor to represent the rate payer in rate hearings involving public utilities.

## Telephone Failed

Party Line Telephones - Emergency Calls - H. B. 820, passed House, died in Senate, would have made it a misdemeanor for a person to refuse to relinquish a party telephone line when requested to do so for the purpose of making an emergency telephone call. H. B. 646 (similar to H. B. 820) died in House.



1956 South Carolina Legislation - Final Report Session: January 10 to April 10, 1956 First Special Session: June 4 to 8, 1956

(The General Assembly of South Carolina meets in two annual sessions. The first session of each legislature convenes in the odd-numbered years. Legislation introduced in the first session and not finally disposed of may be considered during the second session which meets in the even-numbered years. This report covers legislation disposed of in 1956 which was carried as pending in the 1955 report or which was introduced in the 1956 session.)

#### Legislative Program

## Electrification

No action occurred in 1956 on electric cooperative legislation initiated in 1955 and carried over into the 1956 session. (See S. 138, S. 139, H. 1539, H. 1540 below.)

## Telephone

Cooperative telephone borrowers initiated tax relief legislation. (See H. 2034 below.)

## Legislation Considered

## Electrification Enacted

South Carolina Public Service Authority - Investigation - S. \ \ 31 ratified February 7, 1956, extended to March 1, 1956 the time for filing the report of the committee established to investigate the financial status of the South Carolina Public Service Authority (Santee-Cooper). (Note: This committee had been created by Act 367, Laws of 1955 to carry out a recommendation made by Governor James F. Byrnes in his speech of January 12, 1955 to the legislature. Governor Byrnes expressed concern over reports he had received that the Authority had been operating at a deficit for the past year and that the deficit was expected to continue for a number of years to come. The report of the committee which was filed with the General Assembly on February 22, 1956 contained majority and minority findings and recommendations. The committee found the Authority to be solvent and a number of recommendations were made for management improvement and legislative enactment - see H. 2112 and H. 2113, below. Copy of report is available in Office of Legislative Counsultant.)

Atomic Energy - Development - S. 531, ratified March 28, 1956, provides for the establishment of development and regulatory activities relating to the peaceful uses of atomic energy.

Orangeburg - Aiken Hydro-Electric Cormission - S. 640, ratified March 14, 1956, provides for the liquidation of the Orangeburg-Aiken Hydro-electric Cormission established by Act 1245 of the Acts of 1938.

Lyles Ford Tri-County Power Authority - S. 495, ratified February 9, 1956, repeals Sections 24-351 to 24-368, South Carolina Code, which created the Lyles Ford Tri-County Power Authority. H. 1929, same as S. 495, died in Senate.

## Failed

Rural Electric Cooperative Act - Definition of "Rural Area" - S. 139, died in Senate Rural Electrification Cormittee after being favorably reported, recormitted, reported favorably again with amendments and recormitted, and H. 1539, died in House Cormittee on Military, Public and Municipal Affairs, would have amended item (1) of Section 12-1002, Code of Laws of South Carolina, 1952, relating to rural electric cooperatives to further define the term "rural area" to include any area not included within the boundaries of any incorporated or unincorporated city, town, village or borough having a population in excess of twenty-five hundred persons "at the time a cooperative commenced or commences to operate electrical facilities or to furnish electric energy in such area; and no change in the population of a rural area as defined herein, regardless of the reason for such change, shall operate to affect in any way its status as a rural area for the purpose of this act." (These bills were introduced in the 1955 session. No action was taken on them during the 1956 session).

- Powers of Electric Cooperatives - S. 138, died in Senate Rural Electrification Committee after being favorably reported, recommitted, reported favorably again with amendments and recommitted and H. 1540, died in House Cormittee on Military, Public and Municipal Affairs, would have amended iten (1) of Section 12-1025, Code of Laws of South Carolina, 1952, relating to the powers of rural electric cooperatives so as to allow such cooperatives to continue to operate in areas which cease to be rural areas. S. 138, as amended, would have permitted electric cooperatives to continue to furnish electric energy and extend its facilities within such areas except "where such a rural area is annexed within the corporate limits of a city or town the cooperative shall not extend its facilities more than four hundred feet beyond its existing facilities, as its facilities existed at the time of annexation." Sections 2 and 3 of these bills, as amended, would have provided for payments by the cooperative of certain fixed suns to such cities or towns in lieu of all taxes and license fees.

(S. 138 was reported to the floor of the Senate on March 17, 1955 after being recommitted, with amendments recommended by the Committee. The bill was debated on March 22 and March 23. An amendment was offered and then withdrawn by Sen. Williams which would have added Section 4 making all rural electric cooperatives subject to all laws, rules and regulations of the Public Service Commission and Section 5 making rural electric cooperatives liable for all State, county and municipal taxes as are other similar public

utilities. A point of order was raised against the bill that it proposed to raise revenue and such legislation cannot be introduced or originated in the Senate. Further discussion of the bill and the point of order was postponed. The bill was again ordered recommitted to the Senate Committee on April 21, 1955. No action was taken on either of these bills during the 1956 session.)

South Carolina Public Service Authority - H. 2112, died in House, would have amended Sec. 59-2, Code of South Carolina, relating to the directors and advisory board of the South Carolina Public Service Authority, so as to provide that no member of the General Assembly shall be eligible for appointment as an employee of said public service authority during the term of his office.

- H. 2113, died in House, would have amended Sec. 59-2, Code of South Carolina, relating to the directors and advisory board of the South Carolina Public Service Authority, so as to provide that the advisory board shall meet with the board of directors at least once in every three months and that the advisory board shall give advice and recommendations to the board of directors.

Public Service Cormission - S. 678, died in Senate, would have amended Sec. 58-52, Code of South Carolina, so as to require each cormissioner to be a resident of the district from which he is elected.

Revenue Bonds - Utilities - S. 552, died in House would have amended Sec. 59-413, Code of South Carolina, by further defining the authorization of the revenue bond act for utilities (Sec. 59-361 to 59-415) so as to make said law available to all borrowers, as therein defined, notwithstanding that any such borrowers are limited by existing contracts, outstanding bonds, or special constitutional limitations in the extent to which they may use said law.

#### Relephone

## Failed

Telephone Cooperatives - Taxation - H. 2034, died in House, would have provided for establishing the payment of an annual fee for rural telephone cooperatives in lieu of other taxes.

Intrastate Telephone Rates - H. 2323, died in House, would have created a committee to investigate rates charged for intrastate telephone calls by the Southern Bell Telephone and Telegraph Co.

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1956 Virginia Legislation - Final Report Session: January 11 to March 30, 1956

## Legislative Program

#### Electrification

Legislation to increase the fees of directors of electric cooperatives failed (See S. B. 279 below).

## Telephone

REA borrowers did not undertake a legislative program.

## Legislation Considered

## Electrification Enacted

Electric Cooperatives Act - S. B. 22, approved March 30, 1956, Chap. 437, amends Sections 56-209 to 56-231, Code of Virginia, "Electric Cooperatives Act" to note the changes of cross references in the Act to Title 13.1, general corporation laws of Virginia (see S. B. 11, below); makes no substantive changes.

## Failed

Electric Cooperative Act - Directors Per Diem - S. B. 279, died in Senate, would have amended Sec. 56-222, Code of Virginia, to increase the per diem allowance for members of the board of directors from \$15.00 to \$20.00.

Atomic Energy - Study - S. J. Res. 10, died in House, would have directed the Virginia Advisory Legislative Council to study matters pertaining to the peaceful uses of atomic energy.

## Electrification and Telephone Enacted

Corporation Laws - S. B. 11, approved March 30, 1956, Chap. 428, revises the corporation laws of Virginia and repeals Title 13 of the Code of Virginia and enacts in its place Title 13.1.

Public Service Companies - "Issuance of Securities - S. B. 12, approved March 30, 1956, Chap. 429, amends Sec. 56-75, Code of Virginia, relating to fees payable by public service companies in connection with applications for authority to issue securities. This section is amended to require the payment of a \$25.00 filing fee upon application for the approval of any issue of securities or the making of a loan. Upon approval an additional fee equal

to one-tenth of one percent of the proposed selling price of the securities or the amount of the loan shall be paid. The total amount to be paid including the filing fee is limited to \$250. The act also provides that "A public service company that has paid filing fees and additional fees aggregating \$250.00 on account of the approval of loans from the United States may apply for the approval of further loans from the United States on payment of a filing fee and without payment of additional fees."

Public Utility - Definitions - S. B. 21, approved March 30, 1956, Chap. 436 anends Sec. 56-232, Code of Virginia, relating to the definition of the ter "public utility" to provide that it "shall not be construed to include any corporation created under the provisions of Title 13.1 of the Code of Virginia (Stock Corporations Code) unless the articles of incorporation expressly state that the corporation is to conduct business as a public service company."

Public Service Corporations - Payment of Taxes - Annual Reports - H. B. 46, approved February 20, 1956, Chap. 69 amends Title 58, Code of Virginia, relating to income taxes and taxes on public service corporations. The amendments provide that telephone and electric corporations shall file their annual reports with the State Corporation Cormission by April 15 and pay their taxes by June 1. S. B. 41, same as H. B. 46, died in Senate.

# Telephone Enacted

Telephone Cooperative Act - S. B. 19, approved March 30, 1956, Chap. 434, amends Sections 56-485 to 56-508, Code of Virginia, "Telephone Cooperatives Act" to note the changes of cross-references in the Act to Title 13.1, general corporation laws of Virginia (see S. B. 11, above); makes no substantive changes.

Telephone - Party Lines - H. B. 224, approved February 27, 1956, Chap. 151, makes it a misdemeanor for any person using a telephone party line to refuse to relinquish its use when informed that it is needed to place an emergency call. Section 4 requires that notice of this act be included in every telephone directory distributed to the public.

Telephone Charges - H. J. Res. 20, adopted February 26, 1956, declares it to be against the public policy of the State for "(a) the imposition by telephone companies of zone mileage charges for rural exchange service and (b) the use of facilities for which cash construction charges have been party one subscriber, for service to another subscriber, without reimbursement of the person who paid such charges." The resolution requests the State Corporation Cormission "to consider these matters when future tariffs of rates and charges for telephone service are presented to them for approval to the end that rates and charges may be made equitable as between like groups of telephone subscribers."

1956 West Virginia Legislation - Final Report Session: January 11 to February 10, 1956 First Special Session: August 9, 1956

(The regular session of the West Virginia legislature convening in even numbered years is restricted to consideration of the annual budget bill or to matters contained in the Governor's proclamation, or to such matters as may be proposed by two-thirds vote of the legislature.)

#### Legislative Program

#### Electrification and Telephone

REA borrowers did not undertake a legislative program.

#### Legislation Considered

No legislation of interest to REA borrowers was noted at the regular or special sessions.

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State legislation affecting the REA program.
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